GEORGIA JOB TAX CREDIT • Form IT-CA 2001

(This form is to be used by taxpayers who create qualifing numbers of jobs after 1/1/2001.)

Part I.   CERTIFICATION AND INSTRUCTIONS

The Georgia Job Tax Credit Program provides tax credits under Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated for certain businesses that create and retain sufficient new full-time jobs. Businesses that may benefit from the tax credit include those engaged in the manufacturing, warehousing and distribution, processing, telecommunications, research and development or tourism industries or the headquarters of any business engaged in such industries.

Depending on where (what county or census tract area) jobs are created, a minimum of an average of 5, 10,15, or 25 new full-time jobs must be created and retained for one year before any credit may be received. Job creation thresholds must be met by individual county/census tract area. The credit is $3,500 (for tier 1 counties and eligible census tract areas), $2,500 (for tier 2 counties), $1,250 (for tier 3 counties)or $750 (for tier 4 counties) annually for each new full-time job. The credit can be taken for five years beginning with year two and continuing through year six after the creation of the jobs. Each year, all counties in the state are ranked and divided into four tiers: tier 1 includes 71 counties, tier 2 includes 35 counties, tier 3 includes 35 counties, and tier 4 includes 18 counties. Census tracts are ranked when data becomes available, usually after each decennial census. Eligible census tracts are completely contained within Georgia's metropolitan counties and are similar statistically to the bottom 71 counties in the state (tier 1).

IN ORDER TO COMPLETE THIS FORM, a copy of the program regulations must be obtained from the Georgia Job Tax Credit Program Coordinator, Georgia Department of Community Affairs, 60 Executive Park South, NE, Atlanta, GA 30329-2231. The current list of county and census tract designations may also be obtained from the Job Tax Credit Program Coordinator. Please attach this form to the taxpayer's Georgia Income Tax Return. (Further information, including regulations and county designations, may be obtained from the Georgia Department of Community Affairs' Web Page at http://www.dca.state.ga.us/economic/taxcredit.html.)

CERTIFICATION FOR GEORGIA JOB TAX CREDIT PROGRAM

1. Name of business claiming credit	Phone Number ( )
Street Address City State Zip Code	

2. County(s)/Census Tract Area(s) in which the new full-time jobs have been created

3. Street address(s) of site(s) where new full-time jobs have been created

4. List the products or services (NAICS/SIC Codes) provided by the business at the site(s) listed above

5. Fiscal year of the business named above	6. Tax year of the business, if different

7. If the County(s)/Census Tract Area(s) listed above was redesignated prior to any year when jobs were created, has the company filed a Notice of Intent for Georgia Jobs Tax Credit?   [   ] Yes   [   ] No   Date Notice was accepted by the Commissioner of Community Affairs:

8. Is the company listed above entitled to benefits of the Job Tax Credit Program by transfer from another company? If so, explain.

9. Were the qualifying new full-time jobs created in an eligible less developed census tract area?

If so, attach information showing that at least 30% of the qualifying jobs are held by residents of a less developed census tract area or a tier 1 county. Indicate below the methodology used to verify compliance with this requirement. Please contact the Job Tax Credit Program Coordinator if further information is needed.

[   ]   Department of Community Affairs methodology

[   ]   Other methodology. Has the methodology been approved by the Department of Community Affairs? Please explain:

(Note that separate Sections II, III, and IV must be filed if new jobs have been created in more than one eligible county/census tract area.)

I, the undersigned, certify that the above listed information is true and correct to the best of my knowledge and that the jobs created are part of the business' operation that provides the NAICS/SIC products or services listed above and that the business has abided by all Job Tax Credit Program rules and regulations. **Note that this certification includes new program requirements established in law in 2001 concerning required average wages and provision of health insurance.**

_____	_____
Contact Person/Agency	Signature of Company Officer
_____	_____
Contact Phone Number	Title

See Reverse Side for Instructions

INSTRUCTIONS FOR PARTS I - V

Part I

In order to complete Part 1 (CERTIFICATION AND INSTRUCTIONS) and the remainder of IT-CA 2001, the taxpayer must be familiar with the law and regulations. Applicable law includes O.C.G.A. 48-7-40, O.C.G.A. 48-7-40.1, O.C.G.A. 48-7-40.23 and O.C.G.A. 36-62-5.1. Other law may be applicable depending on taxpayer circumstances. Applicable regulations include regulations issued by the Georgia Department of Community Affairs (Rules 110-9-1-.01, 110-9-1-.02, and 110-9-1-.03) and those issued by the Georgia Department of Revenue (Rule 560-7-8-.36).

Part II

Provide the information requested on the number of full-time jobs at the end of each month based on the taxpayer's fiscal year. (See regulations issued by the Georgia Department of Community Affairs for further information.)

Part III-V

Year 1 is the tax year of new jobs increase and the Prior Year is the preceding tax year. (See Rule 110-9-1-.01 of the Job Tax Credit Program Regulations for the definition of these and other terms.)

Line 1   Total employees is the total of full-time employees subject to Georgia income tax withholding at the end of each applicable monthly reporting period.

Line 2   Number of months of operation in each tax year (usually 12).

Line 3   Monthly average of full-time employees (line 1 divided by line 2). Round to the nearest whole number.

Line 4   Previous year's monthly average from line 3.

Line 5   Average increase (decrease) in full-time employees (line 3 less line 4).

Line 6-11   Enter the appropriate average increase if maintained. See Rule 110-9-1-.03 of the Job Tax Credit Program Regulations for detailed instructions.

Line 12   Number of jobs eligible for credit equals the total of lines 6 - 11.

Line 13   Multiply line 12 by $3,500, $2,500, $1,250 or $750 depending on whether the business created jobs in a tier 1 county or eligible census tract area ($3,500 credit), tier 2 county ($2,500 credit), tier 3 county ($1,250 credit), or tier 4 county ($750 credit) and add to this figure the amount of any unused credits from previous years. (The unused credit amounts may not include credits designated to be used against withholding or credits that have expired.) If the new full-time jobs were located in an eligible census tract area, information must be attached showing that at least 30% of the qualifying jobs are held by residents of a less developed census tract area or a tier 1 county. (Contact the Job Tax Credit Program Coordinator at the Department of Community Affairs on the type of information required.) Note that if jobs have been created within a joint development authority area, the amount of credit is increased by $500 per job. Also note that if jobs on Line 12 were created in different years, credit amounts per job may vary depending on the credit amounts applicable in the years the jobs were created. See the Job Tax Credit Regulations for further details.

Line 14   Enter the amount of tax liability for this tax year before any Job Tax Credit.

Line 15   Enter 50% of line 14 (for tier 3, tier 4 or less developed census tract area) or 100% of line 14 (for tier 1 or 2) of line 14.

Line 16   Enter the lesser of line 15 or line 13. (Amount of Job Tax Credit for current year.)

Line 17   Enter the amount of unused tax credits that may be carried forward: Line 16 minus line 13. Unused tax credits may be carried forward for 10 years from the close of the tax year in which the qualified jobs were established. Use the FIFO method to determine which tax credits expire at what time. See the Job Tax Credit Regulations for further details.

Part VI

See the instructions on Part VI of the ITCA 2001 form.

NOTE: The tax credit is calculated on the basis of the average number of new full-time jobs created by county or census tract area by taxpayer. Before any credit can be received, a business must create at least an average of 5 (tier 1 county or less developed census tract area), 10 (tier 2 county), 15 (tier 3 county) or 25 (tier 4 county) new full-time jobs in an eligible county or census tract area. The creation of 5, 10, 15, or 25 jobs in two or more counties or census tract areas does not meet job threshold requirements.

| Part II. | NUMBER OF FULL-TIME EMPLOYEES SUBJECT TO WITHHOLDING | | | | | | | | | | | | |

County	FYE ___ Prior Year	FYE ___ Year 1	FYE ___ Year 2	FYE ___ Year 3	FYE ___ Year 4	FYE ___ Year 5	FYE ___ Year 6	FYE ___ Year 7	FYE ___ Year 8	FYE ___ Year 9	FYE ___ Year 10	FYE ___ Year 11
Month/Year												
1												
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												

Part III.	COMPUTATION OF AVERAGE INCREASE IN FULL-TIME EMPLOYEES												
Line 1: Total Employees													
Line 2: Divided by: Number of Months in Operation													
Line 3: Monthly Average of Full-Time Employees													
Line 4: Less: Previous Year Average													
Line 5: Average Increase (Decrease) in Full-Time Employees													

IV. COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT

	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Line 6: Year 1 Increase										
Line 7: Year 2 Increase										
Line 8: Year 3 Increase										
Line 9: Year 4 Increase										
Line 10: Year 5 Increase										
Line 11: Year 6 Increase										

V. COMPUTATION OF JOB TAX CREDIT

Line 12: Number of New Jobs Maintained										
Line 13: Available Credit *(Line 12 x $3,500, $2,500, $1,250, or $750 Plus Previous Unused Credit).* Add $500 Bonus if Appropriate.										
Line 14: Tax Liability (Before Job Tax Credit)										
Line 15: Maximum Possible Credit *(50% of Line 14 for tier 3 or 4; 100% of Line 14 for tier 1 or 2)*										
Line 16: Enter Lesser of Line 15 or 13										
Line 17: Unused Job Tax Credit										

Part VI. Withholding Income Tax Benefit (Tier 1 and Census Tracts Only)

Taxpayers in tier 1, and in certain census tracts may qualify, after the elimination of their income tax liability, to receive tax credits in the form of a withholding benefit (see code sections 48-7-40 and 48-7-40.1). **To qualify for this benefit, taxpayers must correctly execute form IT-JOBW, due 30 days before a return is filed.** This form is available online at: http://www2.state.ga.us/departments/dor/inctax/taxcredits.shtml#top

County		Tier or Census Tract
Number of new jobs created and maintained		Contact Person
Title		Phone Number
Fax Number		E-mail Address

Tax Year	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Line 18: Income Tax Liability										
Line 19: Total Credits Earned										
Line 20: Unused Credits Schedule V, Line 17										
Line 21: Unused Withholding Credits From Prior Years										
Line 22: Potential Withholding Tax Credit Equals Line 20 Plus Line 21										

Note: Withholding tax credits cannot be transferred to other members of a consolidated group. To qualify for the withholding attribute in a census tract, the credit earned must exceed 100% of the income tax liability. If you are a fiscal year taxpayer who has elected to compute job tax credits on a calendar year; such election will only be allowed beginning with the first fiscal return filed which begins after January 1, 2002. Please be sure to mail your tax return, including this schedule to: Georgia Department of Revenue, Withholdihg Divison, P. O. Box 49431, Atlanta, GA 30359-1431.

See Reverse Side for Instructions

INSTRUCTIONS FOR PART VI

Line 18   Enter the amount of tax liability for the applicable tax year before any Job Tax Credit. Should be the same as the amount on Line 14 of the IT-CA 2001 form.

Line 19   Should be the same as the amount on Line 13 of the IT-CA 2001 form. Should not include credits that were designated to be used against taxpayer withholding but were not used in the previous year.

Line 20   Should be the same as the amount on Line 17 of the IT-CA 2001 form.

Line 21   Enter the amount of unused withholding tax credit that may be carried forward, i.e., credits that were designated to be used against taxpayer withholding but were not used in the previous year.

Line 22   Sum of lines 20 and 21.